CT436

DISCIPLINED
ENTREPRENEURSHIP

Week 5

Dr. Owen Molloy

- Primary Market Research (PMR) :
  - Customer interviews, Observational research, Immersion, Secondary research – reports, user tests, focus groups & user-driven innovation

- Your beachhead market is where, once you gain a dominant market share, you will have the strength to attack adjacent markets with different offerings, building a larger company with each new following

- User profile : range

- Total Addressable Market (TAM) is the total available opportunity for your product or services
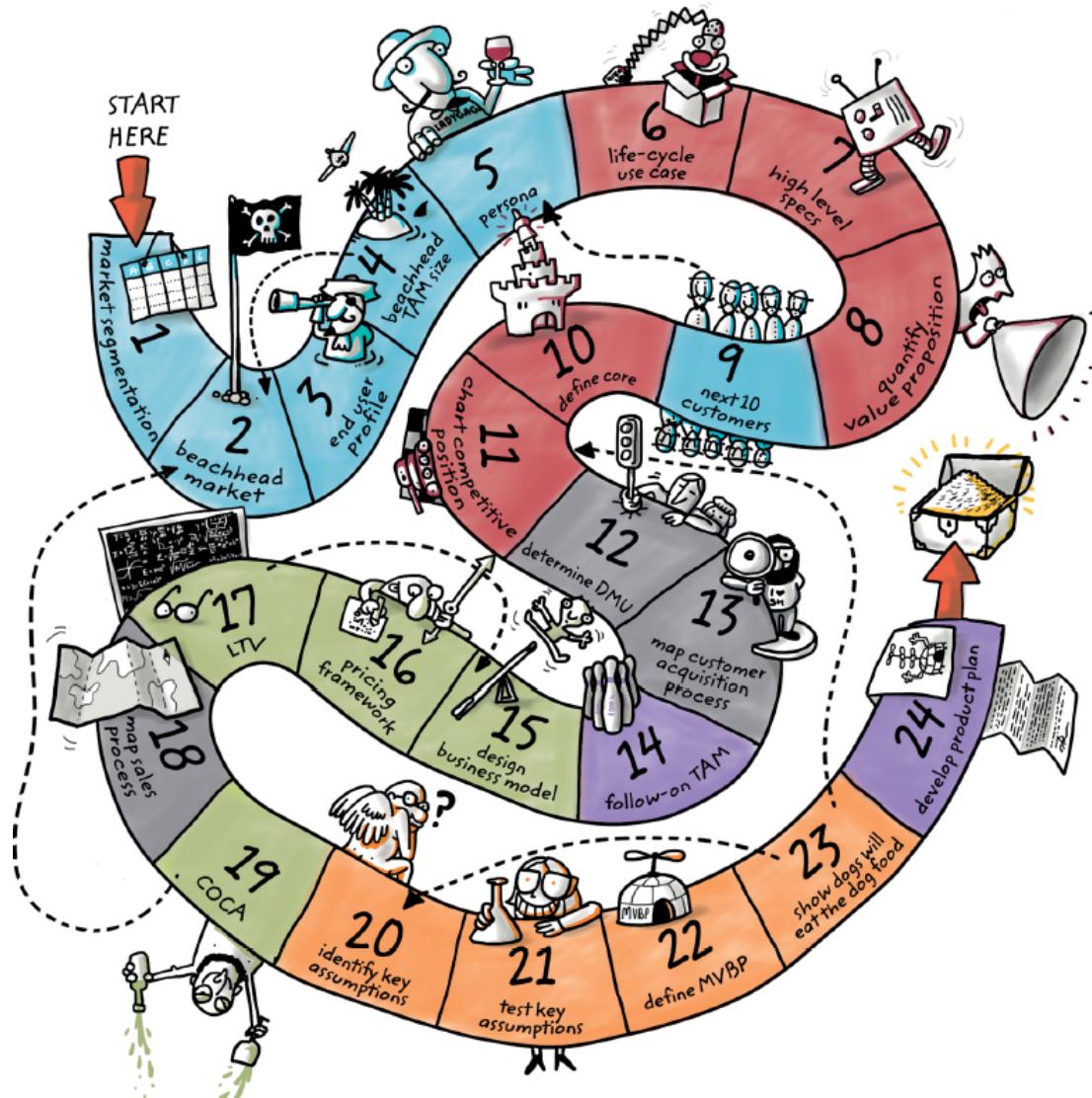
https://startupsavant.com/startups-to-watch
https://startupsavant.com/best-startup-ideas

- **AI Startups**
- **App Startups**
- **Beauty and Wellness Startups**
- **Blockchain Startups**
- **Cybersecurity Startups**
- **Ecommerce Startups**
- **Edtech Startups**
- **Fashion Startups**
- **Fintech Startups**

- **Food and Beverage Startups**
- **Healthcare Startups**
- **IoT Startups**
- **Mobility Startups**
- **Pet Startups**
- **Real Estate Startups**
- **Software Startups**
- **Sustainable Startups**
- **Travel Startups**

Ideal Customer profile

Using primary market research techniques build out a description including demographic information & increasingly specific information about their needs & wants

1. identify, describe, and segment customers based on numerous characteristics and variables, based on their personalities, buying habits, and behaviors.
2. To keep the focus on the end user
3. To deepen your understanding of the primary customer
4. To calculate the TAM

Ideal Customer profile

the characteristics of the people most likely to purchase your product or service and derive a lot of value from it

CUSTOMER PROFILE 1	CUSTOMER PROFILE 2	CUSTOMER PROFILE 3
Suburban online shopper	**Spouse-to-be**	**College student**
A major retailer wants to expand its online presence.	*A wedding planners' consortium wants to expand market for all its members via online marketing.*	*A clothing manufacturer wants to increase online market share among 18-to-22-year-olds, targeting college students.*
DEMOGRAPHICS	**DEMOGRAPHICS**	**DEMOGRAPHICS**
■ Early 40s ■ Two children in school ■ Suburban ■ Income $55,000 ■ College degree	■ Late 20s ■ Never been married, no children ■ Not a homeowner ■ Income $40,000 ■ College degree	■ 19 ■ College student ■ Unmarried ■ Income <$14,000 ■ Part-time employment
INTERESTS/ATTITUDES	**INTERESTS/ATTITUDES**	**INTERESTS/ATTITUDES**
■ Family-focused ■ Active ■ Community-oriented ■ Often spontaneous	■ Active ■ Well-traveled ■ Music lover	■ Active ■ Pressed for time ■ Music lover, moviegoer ■ Spontaneous ■ Experiences stress
BEHAVIORAL	**BEHAVIORAL**	**BEHAVIORAL**
■ Heavy social media user ■ Browses before buying ■ Seeks out special promo	■ Heavy social media user ■ Does research before buying ■ Not a casual browser	■ Heavy social media user ■ Heavy cell phone user ■ Not very brand-conscious ■ Does little research before buying
PREFERRED CONTENT	**PREFERRED CONTENT**	**PREFERRED CONTENT**
■ Healthy lifestyle ■ Family values ■ Recreational	■ Travel ■ Recreational ■ Health and fitness	■ Recreational ■ Pop culture ■ Humor

Where to get this information?

- A lot of companies using data mining / analytics (social media, websites, 3rd party sources) to do it now

- Customer (feedback) surveys, interviews

- If you have customers look at the top X% and look for common characteristics

Basic information

Challenge: Design a watch for the visually impaired and/or a blind person

Where would you start?

- What do you need to know about them to create a viable product?

- What are the needs of visually impaired people?
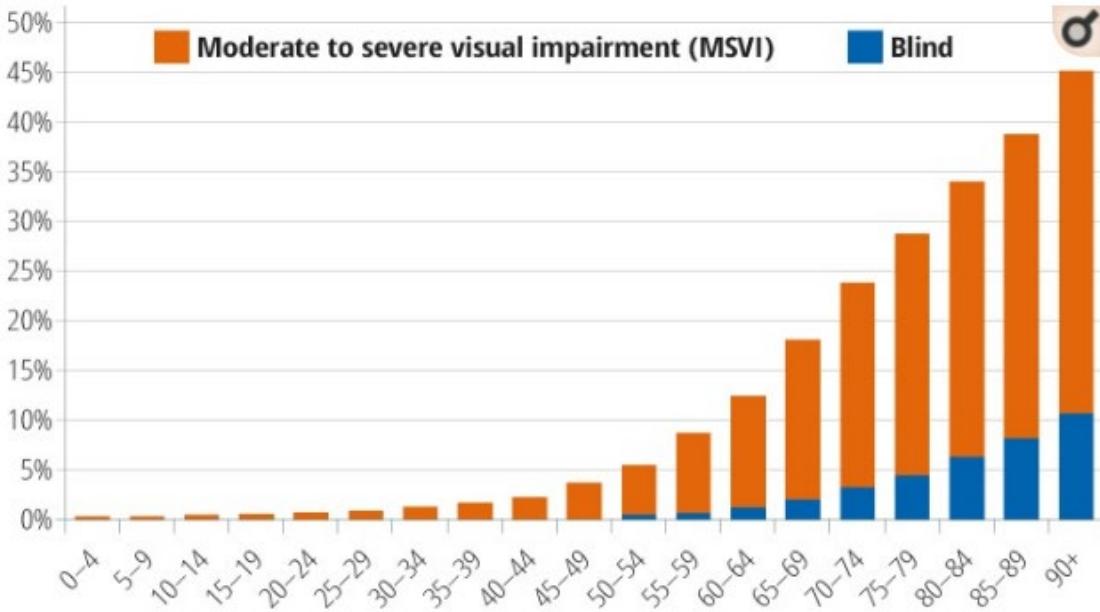
To answer these questions, we need to create an end user profile

Design a watch for the visually impaired and/or blind person

What's already available???
Issues???

Abridged Customer Profile
Blind/vision impaired

	Adult	Children
Numbers		
Spend on specialist prescription glasses/lenses and high spec sun filter glasses		
Age range		
Work status		
What they need?		
What's most important to them?		

Ireland

Abridged Customer Profile
Blind/vision impaired

	Adult	Children
Numbers	55,000	4,701
Spend on specialist prescription glasses/lenses and high spec sun filter glasses	People with sight loss are spending €5.74 per week on specialist prescription glasses/lenses and high spec sun filter glasses	
Age range	18+	5-18 years
Work status	24.4% in employment	Not employed
What they need?	Cost effective	Usable
What's most important to them?	Reliable Not to be disruptive	Not to stand out

Ireland

Moderate to severe visual impairment (MSVI)

However, growing and ageing populations mean that the challenge of eliminating avoidable blindness is now bigger than ever before

Your challenge

Design a watch for the visually impaired and/or a blind person

	Adult
Numbers	55,000
Spend on specialist prescription glasses/lenses and high spec sun filter glasses	People with sight loss are spending €5.74 per week on specialist prescription glasses/lenses and high spec sun filter glasses
Age range	18+
Work status	24.4% in employment
What they need?	Cost effective
What's most important to them?	Reliable Not to be disruptive

Build a watch for the visually impaired

minutes

hours

Customer Profile

- A customer profile describes the type of buyer you should be trying to sell to.

Age
35 years of age

Location
West London

Hobbies
Swimming, Jogging and Reading

Income
>GBP 50,000

Favourite
Groceries and cloths

Visit
Mostly from Friday to Sunday

https://monday.com/blog/crm-and-sales/customer-profile-template/

Exercise 1

- In your project groups, develop a Customer Profile (there could in theory be more than one, but one is enough here)

- Focus on data that could be used to segregate your customers statistically / could be gathered easily using surveys

- Use any of the templates from HubSpot or other

If you try to design a car that pleases every type of user, then you end up with a car with every possible feature, but that pleases nobody.
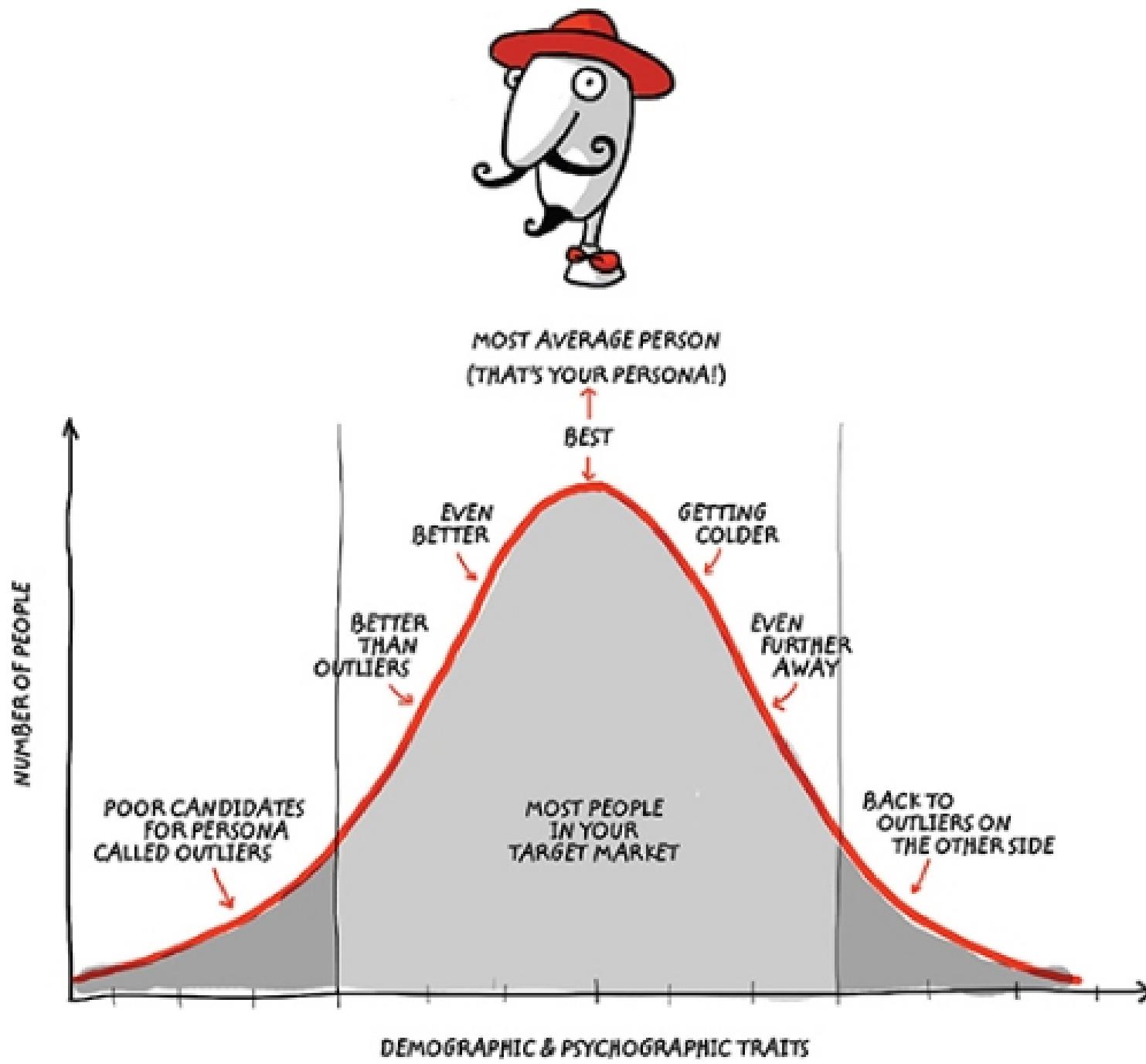
Software today is too often designed to please too many users, resulting in low user satisfaction. In addition, it results also in high cognitive load and navigational overhead for all users.

Design a product which has a purpose for the person using it

Profile – *average* customer – doesn't exist

Persona – specific buyer and how they will interact with the product + how we reach / sell to them

MOST AVERAGE PERSON
(THAT'S YOUR PERSONA!)

BEST

EVEN BETTER

GETTING COLDER

BETTER THAN OUTLIERS

EVEN FURTHER AWAY

POOR CANDIDATES FOR PERSONA CALLED OUTLIERS

MOST PEOPLE IN YOUR TARGET MARKET

BACK TO OUTLIERS ON THE OTHER SIDE

NUMBER OF PEOPLE

DEMOGRAPHIC & PSYCHOGRAPHIC TRAITS

Question 1

- Which ad will be more effective in getting people to donate money? And why?

(a)

a. According to the World Food Programme, 795 million people in the world do not have enough food to lead a healthy, active life. The vast majority of the world's hungry people live in developing countries, where 12.9 percent of the population is undernourished. Poor nutrition causes 3.1 million deaths in children under 5 years of age each year, roughly 100 million children in developing countries are underweight, 66 million primary school-age children attend classes hungry across the developing world, and the World Food Programme calculates that $3.2 billion is needed per year to reach all 66 million hungry school-age children. Will you donate today for this cause?

(b)

b. Raj Shah is 12 years old and lives in New Delhi. Here's a picture of him and his family. He works in the mornings and evenings to support his mother, Anjali, who is unable to make enough money for her family because she has limited mobility from diabetes, and she also has to take care of her parents. Raj also has to take care of his younger sister, Tanya, who is 7 years old. Raj is trying to go school but having a very hard time because he does not have a nutritious diet, which not only makes him lethargic and unable to focus at school, but can seriously stunt the full development of his brain. Raj has barely eaten anything for 3 weeks now, and certainly nothing healthy, as he is just picking up scraps from what others throw out. There is a good chance that if he does not get a good meal in the next two weeks, he will suffer permanent damage to his brain and body, which will affect his ability to support his extended family. By the way, this is just the story of one child going to school hungry, but there are 66 million of them around the world. Won't you give $50 to help children like Raj to help themselves and their families?
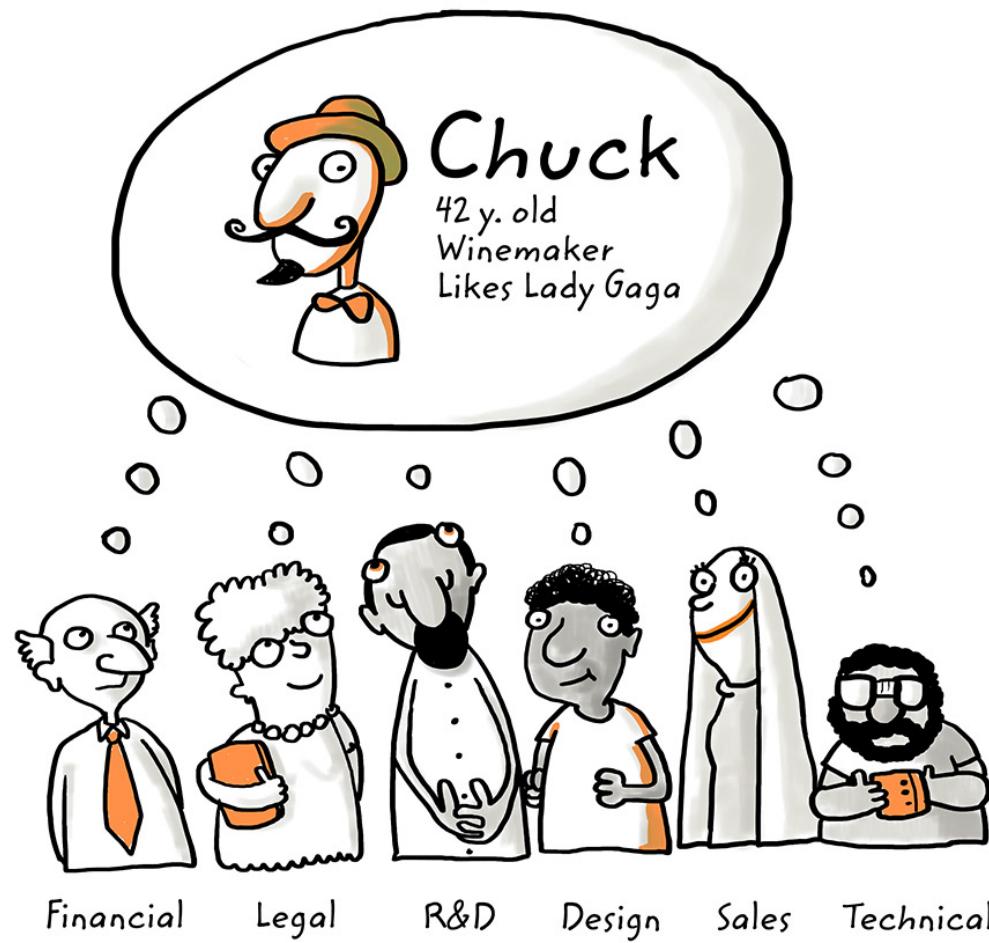
Buyer Persona

- a fictional portrait of a 'real' persona who is buying from your brand based on analysis of demographics, behaviors and motivations
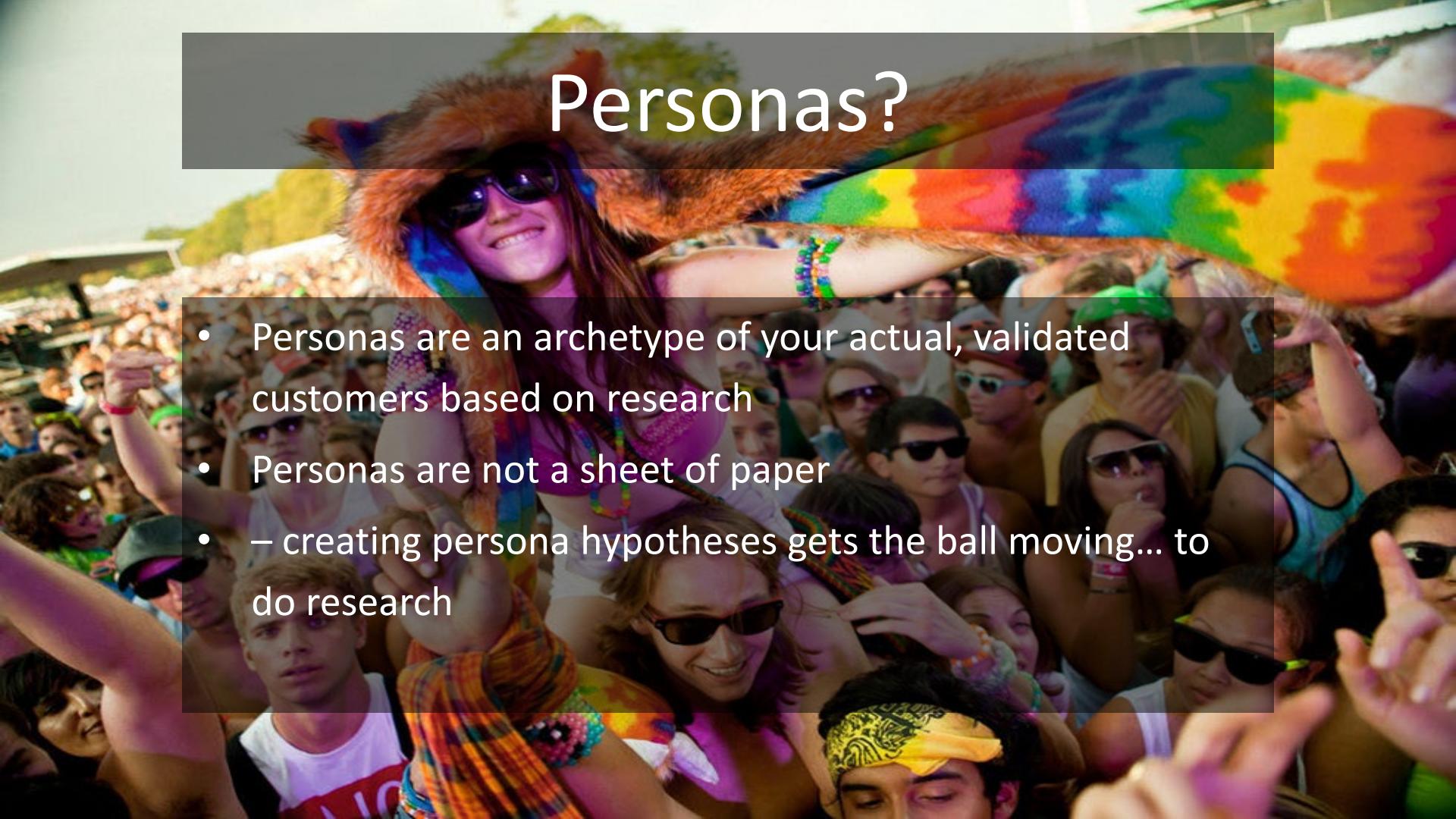
understand their mind set, preferences, motivations, interests, behaviors and goals and to tailor your content and messaging accordingly

Step #5: Persona

Your Persona is one end user from one potential customer who best **exemplifies** your End User Profile

They embody specific key characteristics of target user groups

Personas?
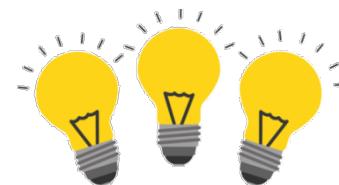
- Personas are an archetype of your actual, validated customers based on research
- Personas are not a sheet of paper
- – creating persona hypotheses gets the ball moving... to do research

Mind set, preferences, motivations

Persona

Describe a 'real person' in your beachhead market that best represents your end user profile

Why do we do it?

To identify basic info, personality, pictures, pain points and goals of the person who best exemplifies your customer

Creates great focus in your organization and serves as a touchstone for all decisions going forward

Key to Persona Development

❑ It must be a 'real' person (most likely fictional but not necessarily)

❑ Be visual – use pictures

❑ Understand all dimensions: Rational, Emotional and Social

❑ Err to start on side of too much detail & then take away

❑ Priorities

    ❑ What do they fear most in the world?

    ❑ What motivates them more than anything else?

❑ What "water holes" do they go to?

    ❑ i.e., where do they congregate with others like them?

❑ Do this as a team – it will help unify your team and will get everyone on the same (and proper) wavelength

Persona: Demographics + Psychographics

- When a key decision needs to be made
  - Who is making it?
  - What are their needs ? Etc.
- Demographics
  - grouping by external factors like age, gender, race and income level – *statistical / quantitative*
- Psychographics
  - qualitative methodology of studying consumers based on psychological characteristics and traits such as values, desires, goals, interests, and lifestyle choices - *qualitative*

Pictures
Background
Age
Gender
Behaviors
Personality
Goals
Needs
Motivations
Pain points
Goals
Spending
habits
Pain points

Mrs. Clark Grimes

Demographic info

Age
37

Location
New York State

Family Status
Married, 2 children

Education level
Graduate degree

Income level
$150,000+

+ Add field

Bio

Working mom looking to buy a new home. Her current house seems too small now that she has a second kid. She is searching for a bigger space close to her current location to accommodate her growing family.

Pain points

- The current house is too small for her growing family.

- Finding a perfect location is challenging since it should meet her needs, as well as her kids' and her husband's needs.

- Juggling work and family life is also challenging. She doesn't have enough time for a home search.

- The economic instability in the country leads to her thinking that buying a house right now is risky and it needs to be a very smart investment decision. However, she has no experience and little knowledge in this area.

Gains/expectations from my product

- Learn from a trusted expert about the best way to invest in her new house in a quick and simple way.

- Find a perfect house in her / similar neighbourhood without going through a nightmare.

Quote

" I feel like it's time for us to find a bigger place, where each of us will have enough room for their needs and where our kids and their own kids will come to stay for Christmas. But making such a decision is really hard since I already have so much on my plate."

Factors influencing buying decisions

- Agency: most of the communications and operations should be carried out online, speed and clarity are very important.

- House: Distance from the city + local infrastructure, space, and modern decor.

- Her husband is the biggest influencer when it comes to selecting the agency and the house.

- Reviews and social proof around real estate agencies are a deal-breaker.

Communication channels

Channels
Instagram, Mom influencers, WoM

Content types and formats
Blog posts, videos

Content topics
Life in NYC state, raising kids, buying a hor

Pictures
Background
Age
Gender
Behaviors
Personality
Goals
Needs
Motivations
Pain points
Goals
Spending
habits
Pain points

Shawna Cummings

Key info

Age
36

Location
San Francisco

Education level
Bachelor's Degree

Job title
Founder/CEO

Company type
Small agency

Bio

Shawna is a career-oriented professional managing a small marketing agency providing digital marketing services to startups.

Frustrations (pain points)

- Working with clients and simultaneously growing the agency is tough. She ends up trapped in daily tasks while she wants to focus on the business strategy.

- Most of the projects are still managed via spreadsheets and documents, decreasing the overall efficiency.

- There are more clients and several employees in the agency now, but it still feels like she works as a solopreneur.

Jobs to be Done

"When I run a small marketing agency I want to organise project management in a way that lets me delegate it while also being able to keep an eye on things, so I can focus on growing my business and improve productivity."

Gains from my product

- Ensures she can see all projects happening in the agency without spending hours in Google Drive.

- Helps her find the bottlenecks in the campaign production process and identify needs for new hires, investments, etc.

- Lets her delegate project management tasks and operations while also being able to monitor things with ease.

Factors influencing buying decisions

- Extended free trial option.
- Affordable subscription plan for small teams.
- Responsive customer support and customer success that can help her and her team learn.

Industry experience and knowledge

- Started researching different options for automating project management, knows the main players.

- Has never adopted any project management tools on a company level before, but came across several solutions when she was an in-house employee.

Background : Santander Cycles is a public bicycle hire scheme in London. The operation of the scheme is contracted by Transport for London. Users can buy 24 hour bike access at docking stations with their credit or debit card for £2.

BRIEF : Through the Santander Cycle scheme, Transport for London wants to find a way to encourage people who are still unsure about cycling in the city to use their bike

- Frustrations with hiring the bike from the docking station e.g. the machines had too much text that no-one wanted to read

- Confusing cycle hire scheme e.g. it allows you to hire for 24 hours, but users must return the bike to the dock every 30 minutes

- Not enough docking stations

Competitor analysis

	Cost	Children allowed	Area/ km^2	App	Journey planner	Easy to use	Weight/ kg
Santander	£2 for 24 hours	Under 18s only with adult	110	✓	✓	Difficult to understand for first time users	23
ofo	50p per half hour, with a maximum daily cap of £5	16+ only	36	✓	✗	Has a good rep with cyclists. Coverage still patchy	17.6
mobike	£1 + £0.50 for every 30 minutes	16+ only	130	✓	✗	C grade from reviews	22.7
UNDERGROUND	Cheapest day cap - £6.80 Cheapest Oyster Peak Journey (Zone 1 only) - £2.40	Yes	All	✓	✓	Yes, tap and go. Either card or oyster. Cash for a ticket at a station with a booth.	N/A
BUSES	£1.50 per journey £4.50 cap per day	Yes	All	✓	✓	Yes, tap and go. Either card or oyster. No cash payments.	N/A

Competitor analysis
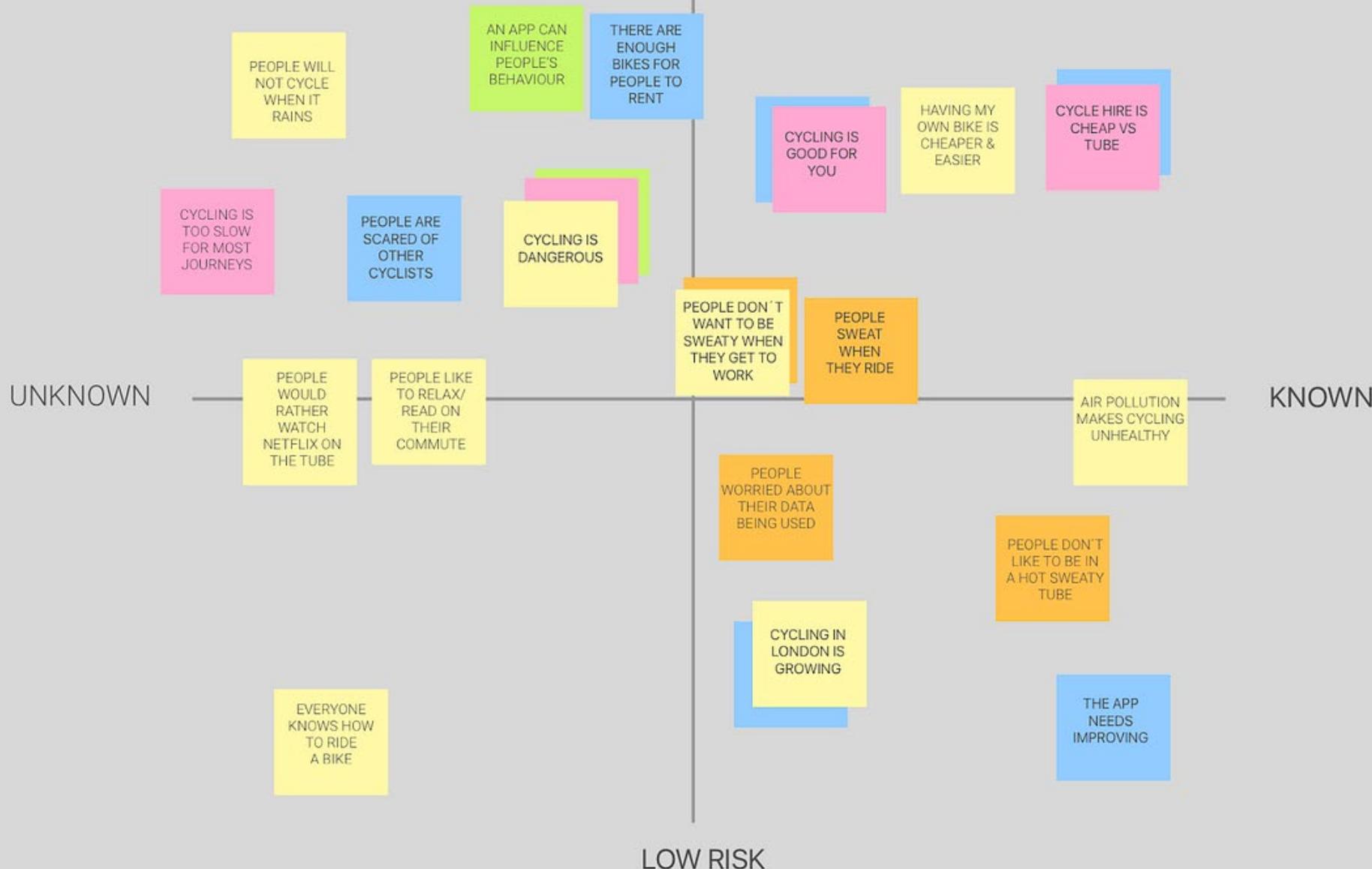
When comparing costs, Santander Cycles was significantly cheaper than its indirect competitors. But the schemes offered by direct competitors were on par. However, online reviews showed that many people were confused with using the Santander Cycle scheme compared to its direct and indirect competitors.

Assumptions Matrix

An Assumptions Matrix is a method that helps
teams to prioritise and run the right experiments
Or where to focus questions during interviews
with users
Risk = impact of being wrong about it

HIGH RISK

UNKNOWN — KNOWN

LOW RISK

PEOPLE WILL NOT CYCLE WHEN IT RAINS

AN APP CAN INFLUENCE PEOPLE'S BEHAVIOUR

THERE ARE ENOUGH BIKES FOR PEOPLE TO RENT

CYCLING IS GOOD FOR YOU

HAVING MY OWN BIKE IS CHEAPER & EASIER

CYCLE HIRE IS CHEAP VS TUBE

CYCLING IS TOO SLOW FOR MOST JOURNEYS

PEOPLE ARE SCARED OF OTHER CYCLISTS

CYCLING IS DANGEROUS

PEOPLE DON´T WANT TO BE SWEATY WHEN THEY GET TO WORK

PEOPLE SWEAT WHEN THEY RIDE

PEOPLE WOULD RATHER WATCH NETFLIX ON THE TUBE

PEOPLE LIKE TO RELAX/ READ ON THEIR COMMUTE

AIR POLLUTION MAKES CYCLING UNHEALTHY

PEOPLE WORRIED ABOUT THEIR DATA BEING USED

PEOPLE DON'T LIKE TO BE IN A HOT SWEATY TUBE

CYCLING IN LONDON IS GROWING

EVERYONE KNOWS HOW TO RIDE A BIKE

THE APP NEEDS IMPROVING

Exercise 2

- Write down your assumptions – as many as possible - about your project / product idea

- Can you place them in the 4 assumptions matrix quadrants?

Affinity mapping of themes which arise in user feedback / surveys / interviews

- Simple technique to group / cluster ideas by theme / category

"From the user interviews, we identified three clear user groups. These were then translated into user personas

The Regular Cyclist is someone who cycles to work everyday, and owns their own bike. They cycle as they believe that cycling is the best method of transport to save time and money.

The Environmentalist aims to reduce their carbon footprint as much as possible, and wants to cycle as they believe that it's the most environmentally friendly way of travelling in London.

And finally, our main persona is Charlotte, the Scared Cyclist"

Regular Cyclist
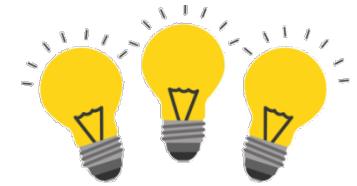
Environmentalist

Scared Cyclist

Persona – Pains and Gains

Pains

What does a bad day look like for her?
What is she afraid of?
What keeps her awake at night?
What is she responsible for?
What obstacles stand in her way?

Gains

What does this person want and aspire to?
How does she measure success?
Given the subject at hand, how could this person benefit?
What can we offer this person?

Charlotte

"I want everything to be quick and easy"

| Practical | Organised | Clean |

Age: 23
Work: Law student
Family: Single
Location: London, UK
Character: Logistician (ISTJ)

Goals

- To save money
- To look presentable as much as possible
- To not die

Frustrations

- The underground smells
- I'm scared of other cyclists shouting at me
- I don't know how to dock a bike

Bio

Charlotte is a hard-working student who needs to save money and time.
She currently takes the bus to university but she recently got trapped on the bus and couldn't get off her stop.
She is considering other travel options because she doesn't like crowded places.

Personality

Introvert		Extrovert
Thinking		Feeling
Sensing		Intuition
Judging		Perceiving

Brands & Influencers

ZARA   MUJI   BOBBI BROWN

Technology

Internet

Mobile

Social Media
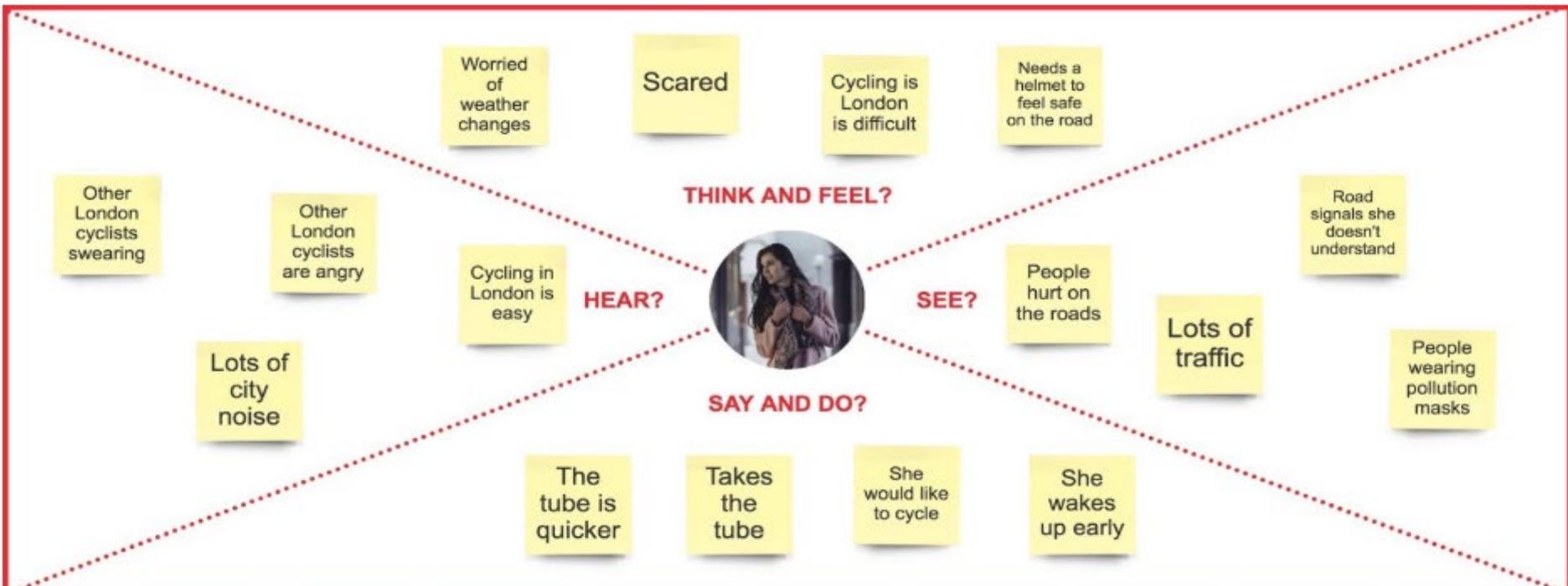
Software

Activity : Empathy map

GOAL: The goal of the empathy map is to gain a deeper level of understanding of the persona

Even if you don't understand the persona very well, the empathy-mapping exercise can help you identify gaps in your understanding and help you gain a deeper understanding of the things you don't yet know

THINK AND FEEL?

Worried of weather changes

Scared

Cycling is London is difficult

Needs a helmet to feel safe on the road

Other London cyclists swearing

Other London cyclists are angry

Cycling in London is easy

HEAR?

SEE?

Road signals she doesn't understand

People hurt on the roads

Lots of traffic

People wearing pollution masks

Lots of city noise

SAY AND DO?

The tube is quicker

Takes the tube

She would like to cycle

She wakes up early

PAIN POINTS

Sweating while commuting

Not knowing London roads

Too hot in public transport

Always queuing for transport

OVERALL GOAL

Help the environment
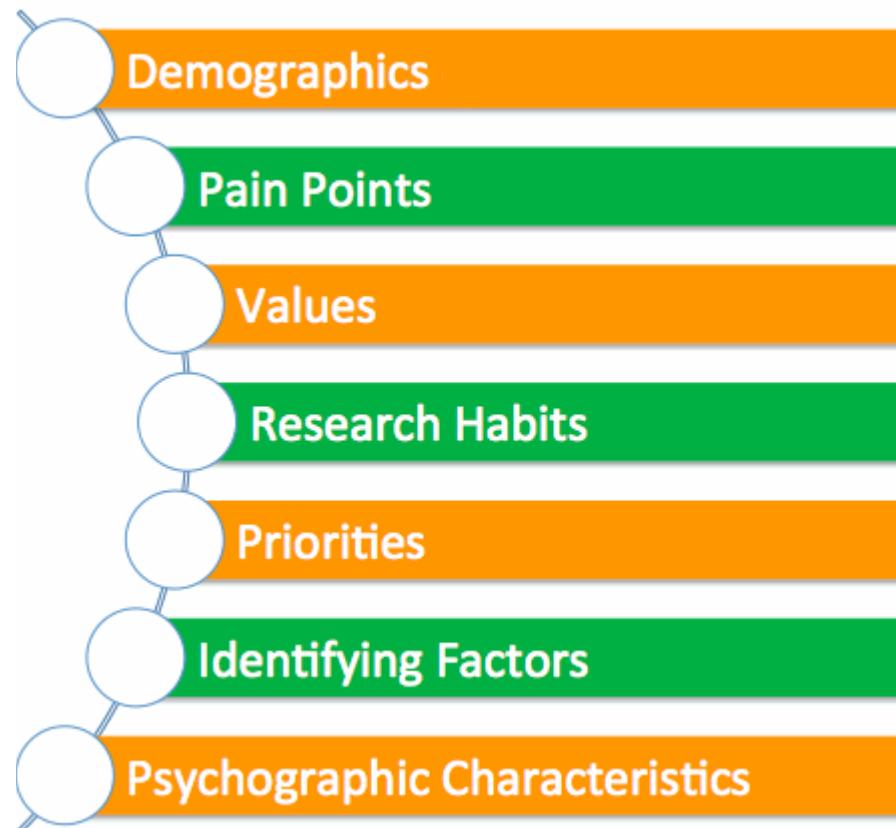
Be healthy and fit

Save time

Be modern

Realtime Board

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Exercise 3

- What to include:

Demographics

Pain Points

Values

Research Habits

Priorities

Identifying Factors

Psychographic Characteristics

Some tools

- https://uxpressia.com/?via=p2p

- https://www.delve.ai/?ic=p-18f04f5

- https://www.justinmind.com/blog/user-persona-templates/

- https://www.hubspot.com/make-my-persona

Create a sample persona
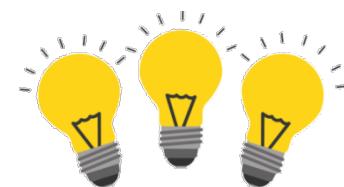
- https://xtensio.com/how-to-create-a-persona/

Feature prioritisation matrix

Low value-Low effort – fill-ins

High value-Low effort – quick wins
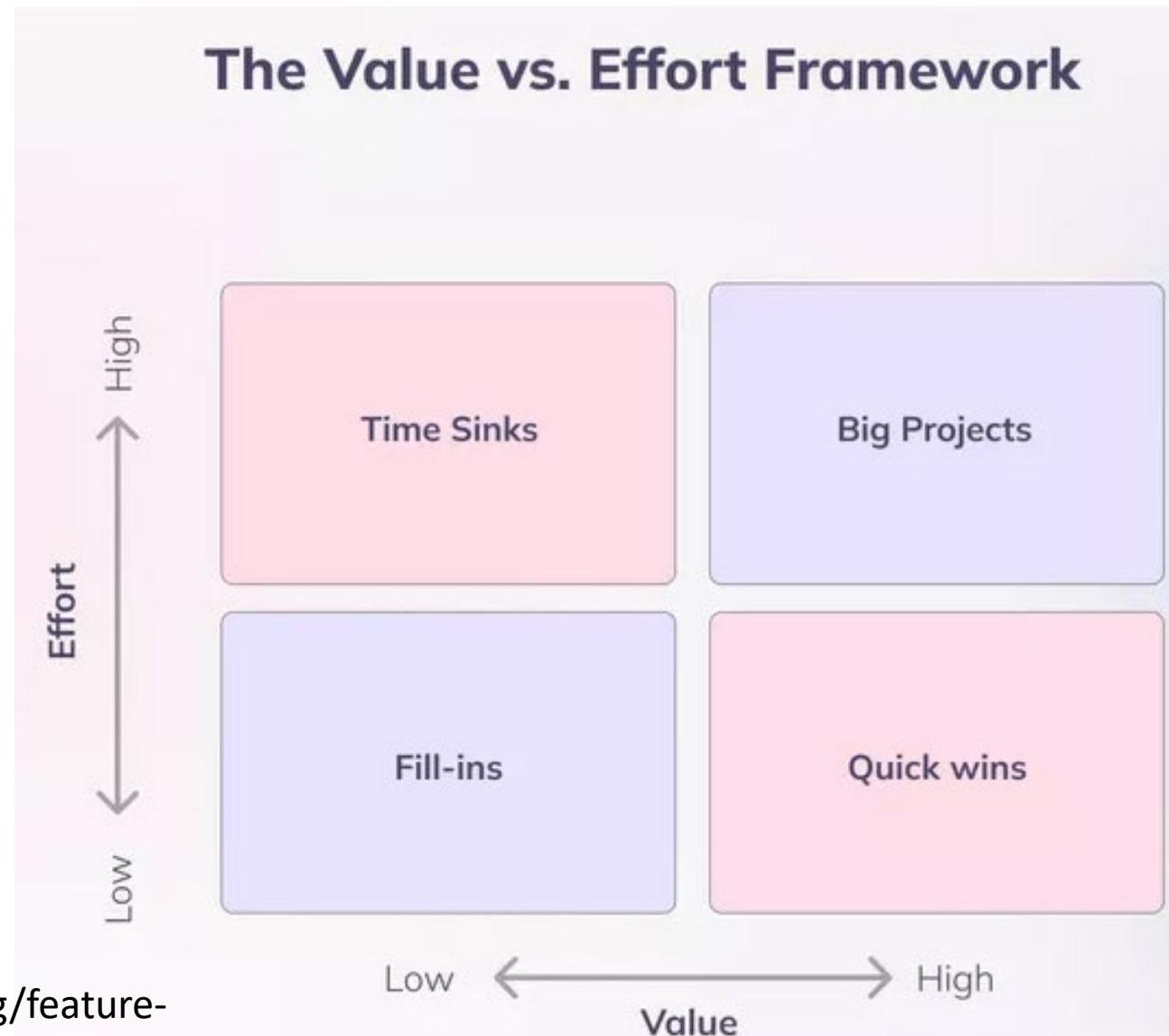
Low value-High effort – time sinks

High value-High effort – big projects

The Value vs. Effort Framework

	Low Value	High Value
High Effort	Time Sinks	Big Projects
Low Effort	Fill-ins	Quick wins

Effort (Low → High), Value (Low → High)

A feature prioritisation matrix

ESSENTIAL — NON-ESSENTIAL, HIGH EFFOT — LOW EFFORT

POINTS, PROGRESS BAR, TESTS, REWARDS, SCENARIOS, HAZARD SELECT, CYCLIST EYE VIEW, VIDEOS, LIVES, STREET VIEW, TAMAGOCHI, AVATAR, ANIMATION, FORMS, CUSTOM AVATOR, JOURNEY PLANNER